

SUPPORTING STATEMENT

Defense Federal Acquisition Regulation Supplement (DFARS) Part 251, Use of Government Sources by Contractors, and Related Clause at 252.251; OMB Control Number 0704-0252

A. JUSTIFICATION

1. Need for the Information Collection

This is a request for revision of a currently approved collection under OMB Control Number 0704-0252 for DFARS part 251, Use of Government Sources by Contractors, and a related clause at DFARS 252.251. DFARS 251.107 prescribes the use of the clause at DFARS 252.251-7000, Ordering From Government Supply Sources, in solicitations and contracts that include the FAR clause 52.251-1, Government Supply Sources. FAR clause 52.251-1 is included in solicitations and contracts when the contracting officer authorizes the contractor to acquire supplies or services from a Government supply source.

DFARS clause 252.251-7000 implements the policies and procedures set forth in FAR subpart 51.1 pertaining to contractor use of and ordering from Government supply sources. In particular, when placing an order under a Federal Supply Schedule (FSS), FAR 51.103(a) requires contractors to provide a copy of their written authorization to use Government supply sources with their order. As such, this DFARS clause requires contractors to provide a copy of the contracting officer's authorization to use the Government source of supply when placing an order under a FSS, Personal Property Rehabilitation Price Schedule (part of the FSS), or Enterprise Software Agreement (which are Blanket Purchase Agreements under a FSS).

2. Use of the Information

The authorization to be submitted pursuant to this requirement provides the terms and conditions under which the contracting officer has authorized the contractor to use Government sources of supply. The authorization is used by the Government source of supply to verify that a contractor is authorized to place such orders and under what conditions.

3. Use of Information technology

Information technology is used 100% of the time to reduce burden. Where both the Government agency and contractors are capable of electronic interchange, contractors may submit this information collection requirement electronically.

4. Non-duplication

As a matter of policy, DoD reviews the FAR to determine if adequate language already exists. The language in DFARS part 251 implements the policies set forth in FAR part 51 related to contractor requirements, but does not duplicate any information already provided to

contractors under FAR clause 52.251-1. Since the nature of the reporting requirement is contract specific, similar information is not readily available.

5. Burden on Small Business

The collection of this information is not expected to have a significant impact on a substantial number of small businesses or other small entities. The requirements for this information collection are determined on a case-by-case basis, as the circumstances dictate. The burden applied to small businesses is the minimum consistent with applicable laws, Executive orders, and prudent business practices.

6. Less Frequent Collection

Every attempt is made to keep the frequency of this collection to a minimum. DoD reviewed the frequency and determined that it is the minimum necessary to ensure compliance with FAR 51.103(a). Every attempt has been made to keep the frequency of collection to a minimum without jeopardizing the ability of the Government sources of supply to assure that contractors are authorized to place orders under FSS.

7. Paperwork Reduction Act Guidelines

There are no special circumstances for collection. Collection of this information is consistent with the guidelines at 5 CFR 1320.5(d)(2).

8. Consultation and Public Comments

a. The burden, included in paragraph 12 below, reflects the validation of the need for the collection requirement, judgement, and best estimates of a Government employee with subject matter expertise in FSS requirements.

b. This information collection is consistent with the guidelines in 5 CFR 1320.6. In accordance with 5 CFR 1320.8(d), public comments were solicited in the *Federal Register* on September 11, 2020 ([85 FR 56223](#)). DoD received no comments.

c. A notice of submission to OMB for clearance of this information collection was published in the *Federal Register* on November 20, 2020 ([85 FR 74322](#)).

9. Gifts or Payment

DoD will not provide a payment or gift to respondents of this information collection requirement.

10. Confidentiality

This information is disclosed only to the extent consistent with statutory requirements, current regulations, and prudent business practices. The collection of information does not include any personally identifiable information (PII) and records are not retrievable by PII; therefore, no Privacy Impact Assessment or Privacy Act System of Records Notice is required.

11. Sensitive Questions

No sensitive questions are involved in the information collection.

12. Respondent Burden, and its Labor Costs

The estimated respondent burden is based on information generated from the Federal Procurement Data System (FPDS) and the Electronic Document Access (EDA) system using fiscal years (FY) 2017 through 2019 contract data and estimates of processing times from DoD specialists involved in the processing of the collected information. The number of respondents is based on an annual average of the FPDS data, in conjunction with EDA data, which indicates an average of 11,058 new contracts were awarded annually that included the DFARS clause 252.251-7000. These 11,058 new contract awards were made to approximately 1,414 unique contractors.

The Government assumes that the contracting officer executes a contract-specific authorization for each new contract that contains the DFARS clause 252.251-7000; therefore, 11,058 authorizations were issued to contractors annually. The Government estimates that, for each of the 11,058 authorizations issued, a contractor will provide a copy of the authorization to at least one FSS holder. Based on this information, the total number of responses is also estimated at 11,058. As some contractors may receive more than one contract subject to this requirement, the number of responses per respondent is derived as follows: 11,058 responses divided by 1,414 unique contractors equals 7.8 responses per respondent. The Government estimates that it will take contractors 30 minutes to prepare the authorization document to be submitted with the FSS order. At an estimated cost of \$39 per hour, the total estimation of the respondent burden is as follows:

| Estimation of Respondent Burden Hours: 252.251-7000 | |
|---|-----------|
| Number of respondents | 1,414 |
| Responses per respondent | 7.8 |
| Number of responses | 11,058 |
| Hours per response | 0.5 |
| Estimated hours | 5,529 |
| Cost per hour (hourly rate – see Note) | \$39 |
| Cost per response | \$19.50 |
| Annual public burden | \$215,631 |

Note:

Based on the 2020 salary table for GS-9/step 5 salary (\$28.73 an hour for base salary and locality pay) from the OPM General Schedule for Rest of the United States (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/20Tables/html/RUS_h.aspx) plus fringe (1.3625%) consistent with OMB Memo M-08-03, dated March 11, 2008. The rate of \$39.14 is rounded to \$39.)

13. Respondent Costs Other Than Burden Hour Costs

It is not anticipated that the information collection will generate any additional annualized costs to respondents other than the labor burden costs addressed in Item 12.

14. Cost to the Federal Government

DFARS 252.251-7000 requires contractors to provide a copy of the contracting officer’s authorization to use the Government source of supply when placing an order under a FSS. To calculate the cost to the Government, the Government uses the number of respondents and responses per respondent discussed in paragraph 12. The Government estimates that it will take 30 minutes to review the authorization document submitted with the FSS order. At an estimated cost of \$39 per hour, the total estimation of the Government burden is as follows:

| Estimation of Federal Government Burden Hours: 252.251-7000 | |
|---|-----------|
| Number of responses | 11,058 |
| Hours per response | 0.5 |
| Estimated hours | 5,529 |
| Cost per hour (hourly rate) | \$39 |
| Cost per response | \$19.50 |
| Annual public burden | \$215,631 |

15. Reasons for Change in Burden

This is a revision of a currently approved public information collection. There has been a change in burden estimates since the last time this collection was reviewed in 2017. The number of respondents, responses per respondent, and number of responses changed because of an increase in: 1) the number of contract awards that included DFARS clause 252.251-7000, and 2) the number of unique business entities that are being awarded contracts that include the clause. Additionally, and in an attempt to better reflect the average annual burden under the clause, this review calculates burden using the average of three FYs data, while the 2017 burden was calculated using data from a single FY. The cost per hour for contractor responses increased from \$37 to \$39 per hour because OPM increased the GS hourly wage for a GS-9, step 5 employee since 2017.

| 0704-0252 ICR – Summary of Change | 2017 | 2020 | Change |
|-----------------------------------|-------|--------|--------|
| Number of respondents | 654 | 1,414 | +760 |
| Number of responses | 3,270 | 11,058 | +7,788 |

| | | | |
|----------------------|----------|-----------|------------|
| Estimated hours | 1,635 | 5,529 | +3,894 |
| Cost per hour | \$37 | \$39 | +\$2.00 |
| Annual public burden | \$60,495 | \$215,631 | +\$155,136 |

16. Publication of Results

Results of this collection will not be published.

17. Non-Display of OMB Expiration Date

DoD does not seek approval to not display the expiration dates for OMB approval of the information collection.

18. Exceptions to “Certification for Paperwork Reduction Submissions”

There are no exceptions to the certification accompanying this Paperwork Reduction Act submission.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods will not be employed.